

Last Friday was extremely quiet in the pits due to traders taking the day off before the Labor Day weekend. As such, the bounce up in prices should not have been taken too seriously given the low volume – but when the pits filled again on Tuesday, support continued and prices still moved upwards. For corn for instance, in the first three sessions of this week we saw a 15-cent bounce, mainly brought about by the reduced crop ratings. However aside from the export news (due out on Friday not Thursday due to Labor Day weekend), reaction to any news may be somewhat limited ahead of the USDA production estimate, which makes being short rather than long a riskier proposition. Many believe that the current futures should be robust going into next week. Corn harvest is fast approaching and with very warm temperatures and little rain predicted, it is only making harvest come quicker. Hot weather is likely to continue for the next five days. From a technical standpoint, corn has broken resistance levels at \$2.73 and \$2.75 and continues to hold strength. Local basis levels have weakened slightly but this has been more than offset by our recent futures rally. Soybean price moves were dominated early in the week by some light fund buying. Export inspections were a trifle disappointing on Tuesday (which limited gains), probably because of the fact that the Asian buyers might be holding out for lower prices once we get to harvest. Fortunately, crop conditions released on the same day held prices steady. The upcoming dry weekend is deemed to be a supportive item, but from a production standpoint we are approaching the point where moisture is less important. Rains in late August might have improved bean yields (including the Maryland region) and basis fell slightly to reflect this. However continued uncertainty should keep prices firm and the lower bean basis numbers are more than offset by the rise in futures. Look for aggressive behavior in the pits next week because of the forecasted hot weather over the weekend. Wheat is by far the mighty leader in the pits these days, driven mostly by weather items. However, rumors of the Canadian wheat board stopping half its exports (to secure domestic supplies) sparked a rally. Tuesday saw a 12-cent rise in the nearby (CBOT) contract due to panic about the quality of global supply. U.S. Harvest areas are seeing rain, causing delays and probable damage while the central and southern plains are experiencing excess heat, preventing planting. Wheat seems to have nowhere to go but up! While some traders anticipate a slight pullback before the Sept 12 crop report, don’t expect too much of a reversal due to incredibly tight supplies.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Sep02)	NEW (Dec02)	CASH (Sep02)	NEW(Nov02)	CASH(Sep02)	NEW(Jul03)
Baltimore	n/a	n/a	-\$22	-\$33	n/a	n/a
Western MD	+\$14	n/a	-\$30	n/a	-\$41	n/a
Central MD	+\$29	+\$07	-\$26	-\$33	+\$02	-\$25
Southern MD	+\$13	+\$04	-\$34	-\$23	-\$28	-\$33
Upper E. Sh	+\$25	+\$17	-\$04	-\$20	-\$28	-\$28
Lower E. Sh	+\$35	+\$26	even	-\$09	-\$27	-\$27

WEEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTIURAL STATISTICS

Maryland finally received rain over the weekend with some southern counties receiving up to 5 inches of precipitation. The much needed moisture will benefit many crops. Late season soybeans are showing some recovery, although rain came too late for most full season soybeans. New hay seedings are emerging and should establish well, and pastures are starting to rebound. Tobacco is also responding to the moisture and is expected to fill out more completely. The rain should result in good establishment for fall small grains and will aid fruit trees to approach winter in better condition. Soil moisture levels increased dramatically this week with the showers. **Topsoil** moisture rated in adequate condition increased 39 percent Topsoil is rated 2 percent surplus, 48 percent adequate, 39 percent short, and 11 percent very short. **Subsoil** moisture also increased with 13 percent adequate, 40 percent short, and 47 percent very short.

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y. Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	08/28	09/04	08/28	09/04	08/28	09/04	08/28	09/04
Baltimore	----	----	5.37	5.45	---	----	---	----
Western Md	2.97	2.85	5.29	5.37	3.20	3.43	1.42	1.47
Central MD	2.95	3.00	5.67	5.41	3.46	3.86	1.52	1.50
Southern MD	2.75	2.84	5.23	5.33	3.29	3.56	---	----
Upper E. Sh	2.86	2.96	5.53	5.63	3.30	3.56	1.60	----
Lower E. Sh	2.97	3.06	5.62	5.67	3.33	3.57	1.40	1.50

Soybean Meal		Lower Eastern Shore		Dealer's Average Cash Quotes (\$/ton)		
Date	08/28	09/04	Date	08/28	09/04	
48% Soybean Meal	213.00	217.00	44% Soybean Meal	201.00	205.00	

FORWARD CONTRACT PRICE-REGIONAL (\$/bu) For Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y. Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	08/28	09/04	08/28	09/04	08/28	09/04	08/28	09/04
Baltimore	---	---	5.00	5.23	---	----	---	----
Western Md	---	----	---	----	---	----	---	----
Central MD	2.80	2.87	5.14	5.23	3.23	3.36	---	----
Southern MD	2.75	2.84	5.23	5.33	3.15	3.28	---	----
Upper E Shore	2.85	2.97	5.23	5.36	3.20	3.33	1.60	----
Lower E Shore	3.00	3.06	5.37	5.47	3.21	3.34	1.52	----

GRAIN FUTURES - Chicago Board of Trade (cents\$/bu) - Sept 04, 2002					
Corn		Soybeans		Wheat	
Oct	260.00	Oct	520.00	Oct	370.00
Nov	270.00	Nov	540.00	Dec	380.00
Dec	280.00	Jan	560.00	Mar	390.00
Oct	590.00	Oct	580.00	Oct	400.00
Nov	300.00	Nov	600.00	Dec	410.00
Dec	310.00	Jan	620.00	Mar	420.00
				Soybean Meal ¹	
Oct		Oct		Oct	165.00
Nov		Nov		Dec	170.00
Dec		Jan		Jan	175.00
Oct		Oct		Oct	180.00
Nov		Nov		Dec	185.00
Dec		Jan		Jan	190.00

¹ \$/ton

HAY AND STRAW (\$/cwt)											
New Holland, PA - Sept 02, 2002 - \$/ton -91 Loads											
Alfalfa		Timothy		Mixed		Straw		Orchardgrass		Rye, (bu)	
135.00-225.00		90.00-270.00		72.00-245.00		65.00-165.00		85.00-220.00		4.75-5.00	
Westminster, MD - \$/bale											
NO WESTMINSTER HAY AUCTION THIS WEEK											
NEXT SALE 09/09/02											
POULTRY (Grade A) - Week Ending Sept 07, 2002 Negotiated Price, cents/lbs											
		Current Week		Week Ago		Month Ago		Year Ago			
NY Wtd Avg. (Fryers)		48.50		48.27		49.22		56.00			
12-City Composite		56.19		56.31		55.74		61.46			
LAMBS - Westminster, MD - \$/cwt - Sept 03, 2002											
H-Ch-Pr		100-120 lbs		68.00-73.00		Good		70-110 lbs		69.00-73.00	
		80-100 lbs		74.00-80.00				50- 80 lbs		70.00-80.00	
								Sheep 56 Hd		20.00-49.00	
TERMINAL MARKET HOGS-Sept 05, 2002						DIRECT MARKET HOGS - Westminster, MD - Sept 03, 2002					
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		1&2		220-275 lbs		18.00-19.25	
a.m.		Base 185 lb Hog		300-449 lbs		1&3		270-350 lbs		16.00-17.00	
Eastern Cornbelt		23.32-31.13		6.00-17.77				350-450 lbs		10.00-11.00	
Iowa, Minn		23.32-31.88		6.00-14.71		Millsboro, DE Market Hogs - \$/cwt - \$16.00					
FEEDER PIGS - (\$/cwt)											
Gumboro, DE -						New Holland, PA - Sept 04, 2002					
Next Sale 09/16/02						Head: 281 Trend: none - around 13% returned to feed					
						US2 35-40 lbs 15.00-27.00					
LIVE CATTLE FUTURES - Chicago Mercantile Exchange- (\$ cwt.) - Sept 04, 2002						HOG FUTURES - Chicago Mercantile Exchange - (\$ cwt.) - Sept 04, 2002					
Sep		68.00		Sep		68.00		Oct		30.00	
Oct		66.00		Oct		69.00		Dec		31.00	
Dec		67.00		Dec		70.00		Feb		32.00	
								Oct		33.00	
								Dec		34.00	
								Feb		35.00	
STOCKER-FEEDER CATTLE - (\$/cwt)											
Winchester, VA - Sept 02, 2002						Westminster, MD - Sept 03, 2002					
Steers		300-400 lbs		84.00-91.00		Steers		300-500 lbs		71.00- 80.00	
		400-500 lbs		78.00-88.50				500-700 lbs		60.00- 70.00	
		500- 600 lbs		75.00-85.00				700-800 lbs		59.00- 65.00	
		600-700 lbs		71.00-76.50		Heifers		300-500 lbs		67.00- 68.00	
		700-800 lbs		68.00-70.50				500-700 lbs		63.00- 69.00	
		800-900 lbs		66.00-68.00		Hols Bulls		#1		94-120 lbs	
		300-400 lbs		78.50-87.00				#2		110.00-125.00	
Heifers		400-500 lbs		70.00-76.00						70.00-105.00	
		500-600 lbs		66.00-70.50		Hols Heifers		#1 (Good Demand)		80- 92 lbs	
		600-700 lbs		65.50-70.00				#2		90-115 lbs	
		700-800 lbs		65.75-71.00						410.00-520.00	
										80-110 lbs	
										250.00-400.00	
										70- 80 lbs	
										100.00-145.00	
Lancaster, New Holland & Vintage - Week Ending - Sept 07, 2002											
Bull, Holstein		95-120 lbs		107.00-154.00		Plainer		95-125 lbs		75.00-102.00	
Heifers, Hols.		80-115 lbs		460.00-555.00		Plainer		93-100 lbs		190.00-410.00	
SLAUGHTER CATTLE (\$/cwt)											
Westminster, MD - Sept 04, 2002											
Fed Steers						Fed Heifers					
L-Ch		1300-1550 lbs		60.00-61.00		Ch 2-3		1000-1375 lbs		59.00-61.50	
H-Ch Hols		1200-1450 lbs		54.00-50.25		Hols				42.00-48.60	
L-Ch				50.00-54.00		Veal Calves					
Cows						Good Slaughter		80- 110 lbs		45.00-55.00	
Breakers				37.00-42.00							
Boners				34.00-38.00							
Lean				30.00-34.00							
Thin				30.00-DOWN							
Lancaster, New Holland & Vintage - Week Ending -Sept 07, 2002											
Steers, Choice 2-3		1175-1440 lbs		63.00-65.50		Steady - \$.50 lower					
Cows, Breakers 75-80 pct lean				39.25-44.50		Mostly steady					
Bulls, YG-1		1000-1905 lbs		49.25-57.75		Mostly steady					
Vealer, Standard & Good		80- 125 lbs		25.00-40.00		None					

For more information about this report, call 410-841-5740 or write:

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